

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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BILL DRAFT 2007-RBz-41A [v.1] (04/29)

**(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
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Short Title: Modify PEG Channel Grant Program.

(Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED
AN ACT TO MODIFY THE PEG CHANNEL GRANT PROGRAM, AS
REQUESTED BY E-NC AUTHORITY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 66-359 reads as rewritten:

"§ 66-359. PEG channel grants.

(a) PEG Channel Fund. – The PEG Channel Fund is created as an interest-bearing special revenue fund. It consists of revenue allocated to it under G.S. 105-164.44I(b) and any other revenues appropriated to it. The e-NC Authority, created under G.S. 143B-437.46, administers the Fund. Up to three percent (3%) of the Fund may be used annually by e-NC Authority to cover its expenses in grant letting and monitoring, not to exceed sixty thousand dollars (\$60,000) a year.

(b) Grants. – A county or city may apply to the e-NC Authority for a grant from the PEG Channel Fund. In awarding grants from the Fund, the e-NC Authority must, to the extent possible, select applicants from all parts of the State based upon need. Grants from the Fund are subject to the following limitations:

(1) The grant may not exceed twenty-five thousand dollars (\$25,000).

(2) The applicant must provide a cash match for the grant. The cash match required is a percentage of the grant amount and the applicable percentage varies based on the applicant's development tier designation:

Applicant Tier Designation	Required Match
Tier One	25%
Tier Two	50%
Tier Three	75%

(3) The grant may be used only for capital expenditures necessary to provide PEG channel programming. An applicant may provide in

1 writing that the grant proceeds be given to the PEG channel operator
2 of the PEG channel for which the grant is given. An applicant may
3 provide in writing that the capital expenditure purchased with the grant
4 proceeds may be owned by the PEG channel operator rather than the
5 applicant.

6 (4) An applicant may receive no more than one grant per PEG channel per
7 fiscal year.

8 (c) Reports. – The e-NC Authority must publish an annual report on grants
9 awarded under this section. The report must list each grant recipient, the amount of the
10 grant, and the purpose of the grant."

11 **SECTION 2.** G.S. 66-350 reads as rewritten:

12 **"§ 66-350. Definitions.**

13 The following definitions apply in this Article:

14 (1) Cable service. – Defined in G.S. 105-164.3.

15 (2) Cable system. – Defined in 47 U.S.C. § 522.

16 (3) Channel. – A portion of the electromagnetic frequency spectrum that is
17 used in a cable system and is capable of delivering a television
18 channel.

19 (3a) Development tier. – Defined in G.S. 105-129.82.

20 (4) Existing agreement. – A local franchise agreement that was awarded
21 under G.S. 153A-137 or G.S. 160A-319 and meets either of the
22 following:

23 a. Is in effect on January 1, 2007.

24 b. Expired before January 1, 2007, and the cable service provider
25 under the agreement provides cable service to subscribers in the
26 franchise area on January 1, 2007.

27 (5) Pass a household. – Make service available to a household, regardless
28 of whether the household subscribes to the service.

29 (6) PEG channel. – A public, educational, or governmental access channel
30 provided to a county or city.

31 (6a) PEG channel operator. – An entity that does one or more of the
32 following:

33 a. Produces programming for delivery on a PEG channel.

34 b. Provides facilities for the production of programming or
35 playback of programming for delivery on a PEG channel.

36 (7) Secretary. – The Secretary of State.

37 (8) Video programming. – Defined in G.S. 105-164.3."

38 **SECTION 3.** This act is effective when it becomes law and applies to grants
39 made on or after July 1, 2008.